

**BOROUGH OF POOLE**

**CABINET**

**12 FEBRUARY 2013**

The Meeting commenced at 7pm and finished at 8:05pm

Present:

Councillor Ms Atkinson (Chairman)  
Councillor White (Vice-Chairman)  
Councillors Adams, Mrs Butt, Mrs Dion, Sorton and Mrs Walton

Members of the Public Present: 4

Also in Attendance:

Councillor Brooke, Mrs Rampton, Clements, Howell, and Brown

CA84.12 APOLOGIES FOR ABSENCE – AGENDA ITEM 1

There were no apologies for absence.

CA85.12 DECISIONS OF THE PREVIOUS MEETING – AGENDA ITEM 2

**DECISION TAKEN**

That the Decisions of the previous Meeting held on 23<sup>rd</sup> January 2013 be confirmed and signed as a correct record.

**For - Unanimous**

CA86.12 DECLARATIONS OF INTERESTS – AGENDA ITEM 3

None.

**Other non statutory disclosures of Interest the Members wished to be recorded**

Councillor Ms Atkinson declared an interest in Agenda Item 10 as a Member of the Dorset LEP Board

CA87.12 HOUSING REVENUE ACCOUNT, RENT SETTING AND BUDGET 2013/14– AGENDA ITEM 4

**DECISIONS TAKEN**

That the Council be recommended to approve:

- (i) That the average increase in dwelling rents in 2013/14 will be 4.1% (i.e. September Retail Price Index (RPI) of 2.6% + 0.5% + up to £2) and that individual properties will move towards their formula rent as required by the continued adoption of the Government's rent restructuring policy as below at 5.0 and detailed in Appendix A to the Report.
- (ii) That garage charges for tenants will increase by September Retail Price Index (RPI) of 2.6% as detailed at Appendix B1 to the Report.
- (iii) That Sheltered Housing Service charges increase by £0.31 per week or 5% as detailed below at 6.3 and Appendix B1 to the Report.
- (iv) That Supporting People charges and Guest Bedroom charges for 2013/14 remain at 2012/13 levels (Appendix B1) to the Report.
- (v) That the majority of communal heating/lighting charges remain at 2012/13 levels (Appendix B2) to the Report.
- (vi) That the Poole Housing Partnership Ltd (PHP) Management and Maintenance Fee be increased by 1% (Section 7) to the Report.
- (vii) The proposed Housing Capital Programme (as shown in Appendix D of the Report)

For – Unanimous

#### REASON FOR THE DECISION

To recommend to Council the Rent and Service Charges for the Housing Revenue Account in 2013/14

PART OF THE PUBLISHED FORWARD PLAN – No

KEY DECISION – Yes

PORTFOLIO AREA – Health, Social Care and Housing

#### DISCUSSIONS/OPTIONS

Councillor Mrs Rampton, Chairman of the Communities Overview and Scrutiny Committee, explained that the Committee had considered these issues and unanimously recommended adoption of the proposed charges and rent increases to Cabinet and Council for approval.

Councillor Mrs Rampton explained the Housing Revenue Account subsidy and rent restructuring. She referred to the overall impact of rent restructuring (which was limited by the safeguard of RPI + 0.5% + up to £2 per week) meant that the average actual rent increase for 2013/14 would be 4.1%. The PHP's "Your Money Team" was to assist tenants in maximising their entitlement to national benefits and help mitigate increase in rents.

Councillor Adams, the Portfolio Holder for Social Care and Housing explained that through careful management of the Housing Revenue Account, the budget showed a healthy revenue contribution to capital to ensure all necessary works were funded and a small new build programme would be achieved. The increase in rent was within reasonable levels and, whilst realising that this would present difficulties to low income households, Poole Housing Partnership “Your Money Team” would assist where possible to mitigate any adverse impact of the rent increase on its tenants.

Councillor Adams also stated that PHP was working with the Coastal Credit Union (CCU) to provide tenants with “jam jar accounts” which could help them to ensure rent was paid as a priority when housing benefits were paid directly to the tenants.

Councillor Ms Atkinson, Leader of the Council and Chairman, sought clarification that rent levels were in line with the Business Plan and formula/target rents. It was explained that the 30 year financial Business Plan made key assumptions including an increase in rent levels in line with the Government’s Rent Restructuring Policy and achieving Formula/Target rents convergence by 2015/16.

Councillor Mrs Butt, Portfolio Holder for Public Engagement and Participation, referred to the equalities implications, explaining that PHP’s “Your Money Team” would assist tenants where possible to mitigate the rent increase of 4.1%.

Councillor Sorton, Portfolio Holder for Resources explained that the Housing Revenue Account was a separate ring-fenced account within the Council’s budget. The Account had no impact on the wider General Fund budget setting and, hence, not on the level of Council Tax.

Cabinet unanimously agreed with the proposals for recommendation to Council.

CA88.12 POOLE HOUSING PARTNERSHIP DELIVERY PLAN 2013: REPORT OF THE CHAIRMAN OF COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE – AGENDA ITEM 5

**DECISION TAKEN**

That Cabinet recommend to Council approval and adoption of Poole Housing Partnership Ltd (PHP) Delivery Plan for 2013/14

For – Unanimous

REASON FOR THE DECISION:

To consider recommending the Poole Housing Partnership Annual Delivery Plan 2013/14 to Council for approval

PART OF THE PUBLISHED FORWARD PLAN – No

KEY DECISION – Yes

PORTFOLIO AREA – Health, Social Care and Housing

DISCUSSIONS/OPTIONS

Councillor Mrs Rampton, Chairman of the Communities Overview and Scrutiny Committee, introduced her Report, explaining the plans to begin work on the first new build Council homes for thirty years. She explained the Committee was concerned about the Welfare Reform changes and how this affected people's income, therefore there was a greater need for the Council to utilise its housing stock, to the best advantage of all tenants

Councillor Adams, Portfolio Holder for Social Care and Housing, felt the Delivery Plan was a good programme which included the major works at Sterte Court. He explained that as tenants could buy their homes under the "Right to Buy" Scheme, thereby reducing available housing stocks, the new build programme was important and should be progressed.

Councillor Mrs Butt, Portfolio Holder for Public Engagement and Participation explained that the new scrutiny panel, entitled the 'Service Improvement Review Board (SIRB)', would empower residents to input into recommendations for any programme of work.

Councillor Ms Atkinson, Leader of the Council, enquired how the community would be supported to prepare for the Welfare Reform changes under the Delivery Plan? Councillor Mrs Rampton explained that the Income Team, the Sustain Team and the "Your Money Team" would help residents prepare and adapt to the Welfare Reform changes.

Cabinet unanimously agreed with the proposals for recommendation to Council.

CA89.12 COUNCIL BUDGET MONITORING (1 APRIL 2012 TO 31 DECEMBER 2012)  
– AGENDA ITEM 6

**DECISIONS TAKEN**

That Cabinet:

- (i) Note the contents of the Report;
- (ii) Approve the budget transfers (virements) as set out in sections 5.4 and 10.4 of the Report to Cabinet; and
- (iii) Approve the actions proposed in Section 13 of the Report to Cabinet

Recommendation to Council

- (i) That Council be requested to approve virement of £1,440,000 for the Tower Block Scheme as detailed in Section 11.3 of the Report

For – Unanimous

REASON FOR THE DECISION:

To consider the Council's performance against Budget for the period 1 April 2012 to 31 December 2012.

PART OF THE PUBLISHED FORWARD PLAN – Yes

KEY DECISION – Yes

PORTFOLIO AREAS – ALL

DISCUSSIONS/OPTIONS

Councillor Ms Atkinson, Chairman, introduced the Report and explained that monthly budget monitoring promoted principles of sound and effective financial management within the Authority and ensured that the Council managed its performance against budget. She drew attention to the predicted surplus of £1.036m for the current Financial Year, which might be subject to some caveats, nevertheless she was hopeful the predicted underspend could be achieved.

She asked the Portfolio Holders to address exceptions within their Portfolio areas, which they did as follows:

**Councillor Mrs Dion, Portfolio Holder with Responsibility for Transportation**

Councillor Mrs Dion, explained income streams within her Portfolio were generating less by way of a yield, most notably car parking income and from the Council's stake in the ownership of the Dolphin Centre.

**Councillor Adams, Portfolio Holder for Adult Social Care**

Councillor Adams, explained that the £1M predicted underspend within his Portfolio remained under pressure from the possibility of increasing numbers of people needing packages of care and the pressure of on-going challenges around "Ordinary Residence".

Councillor Adams, then drew Cabinet's attention to paragraph 11.3 of the report referring to the Housing Revenue Account Tower Block Scheme, which required Council approval for the proposed virement, and asked that Cabinet recommend approval to Council.

He reported that the Sterte Court Project had taken time to achieve awarding of contract, mainly due to the complexity of the contract itself, leaseholder issues and the need for Council approval. It was anticipated that the Project would commence on site during April 2013.

Councillor Mrs Butt, Portfolio Holder for Public Engagement and Participation

Councillor Mrs Butt, explained that the reorganisation of Leisure Services was progressing within the Organisation and “bedding down”.

The merger of Adult Learning with Bournemouth and Dorset had proved a success with savings of approximately £720K achieved.

Councillor White, Portfolio Holder for Capital Projects and Inward Investment

Councillor White, referred to item 10 of the Report, Budget Transfers (virements) and , sought Cabinet approval for the items at paragraph 10.4 of the Report.

Councillor Mrs Walton, Portfolio Holder for Children’s Services

Councillor Mrs Walton referred to delays in notification of Government Grant allocations in respect of Children’s Services. She highlighted the increasing number of schools achieving Academy status and how that would lead to reductions in funding allocations and diminished capacity across the Council.

Councillor Sorton, Portfolio Holder for Resources

Councillor Sorton, explained that in relation to item 4.1 “Land Charges Personal Search Fee Refund”, the Local Government Association (LGA) was currently handling litigation on behalf of Local Authorities in England with regard to the conflict between Land Charges Regulations and Freedom of Information Regulations. The litigation was not as yet settled and the LGA was negotiating with Central Government for possible compensation. It was considered prudent to make a “worst case” provision for possible exposure.

In conclusion, the Leader explained that slippage within the budget was largely due to Senior Management restructuring and reduced capacity, and that she was confident that progress with slipped projects would be achieved quickly in 2013/14.

She paid tribute to the Head of Financial Services, the Head of Accountancy and Financial Services Accountancy Team for the work they had undertaken with Officers in assisting with the Financial Monitoring during 2012/13 and the Budget Setting process for Financial Year 2013/14.

**CA90.12 MEDIUM TERM FINANCIAL PLAN (MTFP) 2013/14 TO 2015/16  
(INCLUDING BUDGET AND COUNCIL TAX 2013/14) – AGENDA ITEM 7**

**DECISIONS TAKEN**

- (i) That Cabinet recommend to Council:
  - a) That a Total Council Tax Requirement of £65.556m is set for 2013/14 based on the provisional settlement figures published by

Government on the 19 December 2012 as set out in Section 5.3 to 5.5 of the Report.

This assumes:

- i. a decrease of £6m in the Council's core funding from Government across the two years of the Local Government Finance settlement, equivalent to a further loss of funding of 18%, excluding any presentational changes. This equated to a cumulative decrease of £14m (39%) since the start of the current spending review period (April 2011);
  - ii. a known net decrease in specific un-ringfenced revenue grants in 2013/14 of at least £4m compared to 2011/12 allocations as set out in Exhibit 5, subject to final confirmation of some individual grants yet to be announced by Government. This equated to a cumulative decrease of £7.5m since April 2011;
  - iii. known capital grants allocations of approximately £3.9m in 2013/14 subject to final confirmation of the future year allocations of Children's Services and Disabled Facilities Grant yet to be announced by Government. (See Section 21.4 of the Report)
  - v. an increase in Council Tax of 45 pence per week (equivalent to 1.95%) having considered those matters set out in Section 6 of the Report and based on the Council not accepting the Government's offer of a one-off Council Tax Freeze Grant of 1% for 2013/14;
  - vii. the key assumptions and provisions made in the Budget as proposed, set out in Section 7.2 of the Report;
  - viii. the allocations to Portfolio areas further to the Budget as proposed, as set out in Appendix 1 to the Report;
  - ix. having considered the key matters arising from budget consultation processes, with Overview and Scrutiny Committees and Area Committees, as previously reported to Cabinet as part of the December MTFP update report;
- b) the Senior Officer Pay Policy, as prepared by the Head of Human Resources, for consideration and approval by Council in accordance with the provisions of the Localism Act 2011 as set out in Section 16 of the Report and Appendix 6;
- c) further to Communities Overview and Scrutiny Committee's consideration of reforms to the Social Fund on the 29 January 2013 and of the Council's proposals for the operation of crisis payments, delegation to the Head of Adult Social Care (*in consultation with the Chair of Communities Overview & Scrutiny*) of the requirement to establish the final operational model to determine the Borough's eligibility criteria for the Scheme and to enable payments to be made, as required, to claimants in line with the agreed eligibility criteria.

- d) level of and use of all reserves to be held by the Council - further to the advice of the Chief Finance Officer as set out in Section 20 and Appendix 2 to this Report;
- e) the Capital Programme as set out Section 21 and Appendix 3 of this Report including the specific recommendations of the Children's Services Capital Strategy as detailed in Appendix 3 (ii) Section 3 to the Report;
- f) the Treasury Management Strategy and Prudential Indicators as set out in Appendix 4 to the Report;
- g) that the recommendations to approve the Housing Revenue Account (HRA) budget and average HRA dwelling rental increase for 2013/14, as set out in a separate report to Council and included as item 4 in Cabinet's Agenda papers, be considered and approved in setting the Budget for 2013/14 as summarised in Section 18 of this Report;
- h) that the Chief Finance Officer provides Council with a schedule setting out the rate of Council Tax for each category of dwelling subject to the % increase in Council Tax considered by Cabinet for approval by full Council, further to Members consideration of the decision required in respect of 3(a) above and after taking account of the precepts to be levied by the local Police and Crime Commissioner and Fire Authority once these have been determined prior to Council on the 26 February 2013.

**For - Unanimous**

REASON FOR THE DECISION

To consider proposals for recommendation to Council for setting the Council's Budget and Council Tax.

PART OF THE PUBLISHED FORWARD PLAN – Yes

KEY DECISION – Yes

PORTFOLIO AREAS – All

DISCUSSIONS/OPTIONS

Councillor Ms Atkinson, Chairman, introduced the Report setting out the progress made since December in developing the Medium Term Financial Plan (MTFP) 2013/14 to 2015/15 and the implications of the provisional Local Government Finance Settlement for 2013/14 and 2014/15 and the Budget for Council consideration for 2013/14.

Councillor Ms Atkinson advised that the Report would be debated in detail at Council on 26<sup>th</sup> February 2013 and made particular reference to the following:

- The current formula grant system for funding local authorities would cease from 2013/14 onwards.
- Under the new system of Localisation of Business Rate the Council could be partially liable for current Business Rates appeals. As the scheme stands at the moment the Council could be liable in respect of some of these appeals. This could equate to up to 5% of current appeals and could expose the Council to a liability in excess of £2.2m.
- Poole Council Tax had now been frozen since 2011/12
- Poole had the lowest Council Tax in Dorset at £1,209.60 for a Band D property.
- Poole has had the lowest Council Tax in Dorset for the last 12 years (since 2001/02).
- Members will need to carefully consider all implications before deciding whether or not to accept the Council Tax Freeze Grant of 1% offered for 2013/14.
- An increase of 1.95% (equivalent to an extra 45p per week) would, in all likelihood, still mean that Poole had the lowest Council Tax in Dorset. Finance Officers advice was that the Council should increase its Council Tax in recognition of the long term detrimental impact on the Council's resource base of taking the offered Council Tax Freeze Grant. Such an approach would also be the best option for protecting future year's front line service delivery.

Councillor Ms Atkinson then explained that the consequence of being the fourth lowest funded unitary authority in the Country meant that Poole would receive additional £3M in Central Government funding if it received the same funding allocation as neighbouring Bournemouth Borough Council, and an additional £13M if its funding allocation was at the level received by Weymouth and Portland Council. She then thanked Members of Overview and Scrutiny Committees and the Head of Financial Services and his team for all the work undertaken on the Medium Term Financial Plan.

In conclusion the Head of Financial Services explained that there was an adjustment to figures of the General Fund Budget Summary 2013/2014 due to the Government Settlement at Appendix 1(a) as follows:

Corporate Income and Expenditure

Environment Agency – delete £189k, insert £183k

Other financial items impacting on the General Fund

Revenue contribution to capital general – delete £247k, insert £292k

Other funding before Council Tax Requirement (as subsidy)

Local Services Support Grant – delete £396k, insert £292k

New Homes Bonus Grant – delete £1,035k, insert £1,455K  
New Home Bonus Grant adjustment – insert £1,28K  
Revenue Support Grant (from Government) – insert £22,783k

Cabinet noted that the Total Council Tax Requirement remained at £65,556K.

Cabinet unanimously agreed with the proposals noting amendments at Appendix 1(a) above for recommendation to Council.

CA91.12 INTRODUCTION OF A LOCAL DEVELOPMENT ORDER FOR POOLE HIGH STREET: REPORT OF THE CHAIRMAN OF THE ECONOMY OVERVIEW AND SCRUTINY COMMITTEE – AGENDA ITEM 8

**DECISION TAKEN**

That Cabinet approve that the Draft Local Development Order (LDO) for High Street area in Poole Town Centre progress through to a formal 28 day consultation stage whereby representations received will inform the production of an LDO for the High Street which can then be proposed for adoption.

**For – Unanimous**

REASON FOR THE DECISION

To seek agreement from Cabinet on the confirmation of the Draft Local Development Order (LDO) for the High Street.

PART OF THE PUBLISHED FORWARD PLAN – No

KEY DECISION – Yes

PORTFOLIO AREA –Capital Projects and Inward Investment

DISCUSSIONS/OPTIONS

Councillor Clements, Chairman of the Economy Overview and Scrutiny Committee, presented his Report to Cabinet, explaining that his Committee had considered this matter at its Meeting on 24 January 2013. He explained that the Committee was supportive of the proposals and the recommendation to progress the matter through a 28 day formal consultation stage.

The Leader welcomed the initiative and explained that the people of Poole were passionate about Poole High Street, She stated that on a recent count there were only 10 empty retail units in Poole High Street. Poole compared well to the national average of empty retail units in the High Street, the National average was 13% empty – Poole had less than 8%. Poole was the first town in the Country to progress an LDO scheme.

Members supported the Scheme and sought confirmation that the proposal was at the consultation stage at this time. It was confirmed that the

recommendation was for a formal 28 day consultation whereby representations received would inform the production of an LDO for the High Street which could then be proposed for adoption.

Cabinet unanimously agreed with the Proposal.

CA92.12 NEIGHBOURHOOD PLANNING – APPLICATION FOR DESIGNATION OF NEIGHBOURHOOD FORUM – BROADSTONE: REPORT OF THE CHAIRMAN OF ECONOMY OVERVIEW AND SCRUTINY COMMITTEE – AGENDA ITEM 9

### **DECISIONS TAKEN**

That Cabinet

- (i) Approve that the Broadstone Neighbourhood forum be designated as a relevant body for the purposes of planning within the boundaries of the neighbourhood area set out in the application.
- (ii) Approve that the area set out in the Application be designated as a neighbourhood area for the purposes of neighbourhood planning

**For – Unanimous**

### **REASON FOR THE DECISION**

To consider approving the first Application received by the Council under the Localism Act 2011 provisions.

**PART OF THE PUBLISHED FORWARD PLAN** – No

**KEY DECISION** – No

**PORTFOLIO AREA** – Public Engagement and Participation

### **DISCUSSIONS/OPTIONS**

Councillor Clements, Chairman of the Economy Overview and Scrutiny Committee, presented his Report to Cabinet, explaining that his Committee had considered this matter at its Meeting on 24 January 2013 and highlighted the work undertaken by the Applicant and the Head of Legal and Democratic Services. Councillor Clements explained that his Committee unanimously supported the proposal for Designation of a Neighbourhood Forum – Broadstone.

The Leader informed the Cabinet that Broadstone Neighbourhood Forum was the first Application to be considered. Cabinet welcomed the Application, wished the organisation well and believed this Application would be the first of many.

CA93.12 LOCAL PINCH POINT FUND: REPORT OF THE CHAIRMAN OF THE ECONOMY OVERVIEW AND SCRUTINY COMMITTEE – AGENDA ITEM 10

**DECISION TAKEN**

That Cabinet endorses the draft scheme list as put forward by the three local highways authorities, Bournemouth, Poole and Dorset, on behalf of the Dorset Local Enterprise Partnership (LEP), noting that the relative priority of individual schemes has yet to be finalised through further assessment work and that the list will also be endorsed by the Dorset LEP Board before submission to the Department for Transport (DfT).

**For – Unanimous**

**REASON FOR THE DECISION**

To consider approving that the draft scheme list as put forward by the Three local highways authorities, Bournemouth, Poole and Dorset, prior to prioritisation and submission to Department for Transport (DfT).

**PART OF THE PUBLISHED FORWARD PLAN – No**

**KEY DECISION – Yes**

**PORTFOLIO AREA – Planning and Regeneration**

**DISCUSSIONS/OPTIONS**

Councillor Clements, Chairman of Economy Overview and Scrutiny Committee, presented his Report to Cabinet, explaining that his Committee had considered this matter at its Meeting on 7 February 2013. He explained the Committee welcomed the proposals with regard to potential funding and unanimously supported the proposals. The Committee acknowledged that the schemes identified were yet to be prioritised or selected for submission to the DfT.

**Note:** Councillor Ms Atkinson declared an interest as a Member of the Dorset LEP Board.

Cabinet agreed unanimously with the recommendation.

CA94.12 **DEVOLVING LOCAL MAJOR TRANSPORT SCHEMES – DORSET LOCAL TRANSPORT BODY ASSURANCE FRAMEWORK: REPORT OF THE CHAIRMAN OF ECONOMY OVERVIEW AND SCRUTINY COMMITTEE – AGENDA ITEM 11**

**DECISIONS TAKEN**

That Cabinet

- (i) Approve the draft Dorset Local Transport Body (DLTB) Assurance Framework for submission to Department for Transport (DfT), subject to the approval of Bournemouth Borough Council, Dorset County Council and the Dorset LEP Board.
- (ii) Approve that the Borough of Poole representation on the DLT Board be delegated to the Strategic Director, in consultation with Portfolio Holder/ Leader to make appropriate appointment(s)
- (iii) Approve that the selection of the Authority that is to act as the DLT Board accountable body be delegated to the Strategic Director, in consultation with Portfolio Holder/Leader to agree with the appropriate Officers/Members at Bournemouth Borough Council and Dorset County Council.

**For - Unanimous**

REASON FOR THE DECISION

To consider the recommendations of the Economy Overview and Scrutiny Committee to approve the governance arrangements and the draft Dorset Local Transport Body Assurance Framework on behalf of the Council (subject to the approval of Bournemouth Borough Council and Dorset County Council and the Dorset LEP Board) for submission to the Department of Transport

PART OF THE PUBLISHED FORWARD PLAN – No

KEY DECISION – Yes

PORTFOLIO AREA – Economy and Transportation

DISCUSSIONS/OPTIONS

Councillor Clements, Chairman of the Economy Overview and Scrutiny Committee presented his Report to Cabinet, explaining that the Committee had considered this matter at its Meeting on 7 February 2013. He drew Members' attention to paragraph 3.3 of his Report which stated that whilst supporting the recommendation, the Committee expressed the view that it felt there was no perceived benefit in Borough of Poole acting in the capacity of the "Accountable Body".

Councillor Mrs Dion, Portfolio Holder for Transportation Services, informed to Cabinet that she felt there would be a benefit for the Council to act in the capacity of the "Accountable Body" as it would strengthen the Council's position.

Councillor Clements stated that his Committee had not said that the Council should not be the Accountable body, and wished to bid for this status.

**CHAIRMAN**